

# News Release



U.S. Department of Labor  
Office of Public Affairs  
Boston, Mass.  
BOS 2003-112

For Immediate Release  
Wednesday, May 28, 2003  
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## **Labor Department Names Independent Trustee To Terminate “Orphaned” Coastal Copy Systems 401(K) Plan**

**NEWARK, NJ** – The U.S. Department of Labor obtained a consent judgment and order on May 23, 2003 appointing an independent trustee to terminate the Coastal Copy Systems, Inc. 401(k) plan and distribute approximately \$30,000 in plan assets to 16 participants.

The judgment appoints Jacqueline Carmichael of Olney, Md., as the plan’s independent fiduciary and gives her authority to oversee the plan’s assets and terminate the plan in accordance with the Employee Retirement Income Security Act (ERISA).

A lawsuit filed the same day in federal district court in Newark, N.J., alleges the plan has existed without a trustee since 1998. Its assets have been held by a third-party administrator, Nationwide Pension Services of Dublin, Ohio, which, in cooperation with the department, agreed to be a defendant in this case to effectuate the plan’s termination.

Coastal Copy Systems, located in Red Bank, N.J., was closed in 1999. The plan’s last known official did not name a replacement fiduciary to settle plan accounts.

The department deemed the plan to be an orphaned due to the lack of any authorized individual to provide directions to the third-party administrator to distribute or roll over the plan account balances to plan participants. Without a plan fiduciary, participants and beneficiaries have been unable to obtain distributions from their accounts.

“The participants in this plan came to us for help. We took legal action to ensure that they receive the benefits promised by the company,” said Francis Clisham, director of the department’s New York Regional Office of the Employee Benefits Security Administration (EBSA), which investigated the case.

Employers and workers can contact the New York Regional Office at (212) 607-8600 or EBSA’s toll free number, 1-866-444-EBSA (3272), for help with any problems relating to private-sector pension and health plans.

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(Chao v. Coastal Copy Systems, Inc. 401(k) Profit Sharing Plan)  
Civil Action No. CV-03-1777